RFP DMS 2010-05

Utilization and Quality Control Peer Review of Inpatient Psychiatric Services for Medicaid Beneficiaries Under Age 21

QUESTIONS AND ANSWERS

1. What is the annual dollar value of the current contract?

Answer: \$2,016,860

2. Please describe any performance issues the incumbent has had with the current contract.

Answer: This procurement is not related in any way to the incumbent's performance.

3. Please describe the review outcomes, such as number/percentage of certifications and denials, from the current contract for the past year.

Answer:

Authorized: 16,490 or 82.8% Initial Denial: 1,519 or 7.6% Initial Partial Denial: 686 or 3.4% Renegotiated: 1,219 or 6.1%

4. RFP page 4, section 1.1: How is this scope of work different from the current scope of work?

Answer: This is a new RFP which encompasses the past scope of work but includes more detail regarding expectations.

5. RFP page 4, section 1.1: Will the State consider adding URAC certification in utilization management as a minimum qualification for offerors?

Answer: No.

6. RFP page 4, section 1.2: Please provide the names and addresses of the 31 Inpatient Psychiatric providers that are enrolled with Arkansas Medicaid.

Answer: Please see attached listing.

7. RFP page 7, section 2.1: What are the names of the organizations that submitted letters of intent for this RFP?

Answer: This information will not be provided. It is the position of DHS that "knowing just the identities of other bidders prior to the submission deadline could furnish a bidder

with insights concerning the others' competitive capabilities, which the bidder could then use in structuring his or her own bid."

8. RFP page 7, section 2.1: What are the names of the organizations that submitted questions for this RFP?

Answer: Refer to #7.

9. RFP page 14, section 4.1: The RFP states that we must include one original cost proposal. Please clarify whether this means one hard copy and one electronic copy.

Answer: Electronic copy is not required of the cost proposal.

10. RFP page 17, section 4.2.5: Please detail the specific RFP requirements that are to be cross-referenced in the executive summary.

Answer: All major requirements of the RFP with much detail of Section 4, Proposal Requirements.

11. RFP page 18, section 4.2.6: Please clarify what the State means by the two terms "online website-based services" and "registry services" as it relates the requirements in this RFP.

Answer: Online website-based services are available via the internet. Registry service is the method the respondent will utilize to control access to secure internet websites.

12. RFP page 18, section 4.2.6: Please clarify if the successful contractor is able to use an "auto-certification" methodology whereby the provider enters all of the clinical information in a Web-based review system, and if all criteria are met, the review is approved without involvement of any licensed clinician.

Answer: Auto-certification may not be used to meet the requirements of this RFP.

13. RFP page 18, Section 4.2.6: Please clarify what the State means by the Certification of Need (CON) process.

Answer: Please refer to the Arkansas Medicaid Inpatient Psychiatric Services for Under Age 21 manual at www.medicaid.state.ar.us for this information.

14. RFP page 18, Section 4.2.6: Please clarify what the State means by reconsideration process and the renegotiation process.

Answer: The successful contractor must offer providers a means of seeking a reconsideration of adverse action for all initial authorization requests. In addition, the respondent may propose to utilize a means of renegotiating initial requests with the

provider based on review of submitted documentation. This would be in addition to the required reconsideration process.

15. RFP page 19, Section 4.2.8: Please clarify what the State means by the use of the term audit experience when the RFP indicates that "The respondent must have sufficient staff with mental health and audit experience and background to review patient medical records and approve medically necessary Inpatient Psychiatric Services for beneficiaries under age 21."

Answer: Staff must have experience in auditing mental health service providers for quality of care and review of medical necessity, clinical documentation, and utilization of services.

16. RFP Page 20, Section 4.2.8: Please clarify what the State means by "all review staff must be trained in proper investigative techniques and how to write deficiencies."

Answer: The review staff conducts on-site inspections at facilities to determine whether they are in compliance with regulations. It is important they have a background in behavioral health or related health care field. The essential skills needed for investigation is the ability to observe closely, analyze and write concisely. The review staff documents relevant findings including observations, interviews, and records review information obtained during the audit. When the audit is completed, the report should clearly identify the specific deficient practice and identify the extent of the deficient practice.

17. RFP page 21, section 4.3: What is the State's budget for this scope of work?

Answer: We plan to use the winning respondent's budget for the contract, providing it is considered reasonable by DMS.

18. RFP page 20, section 4.2.11: Please clarify if the State requests audited financial statements.

Answer: Yes, we request audited financial statements. However, if it is for a type of organization that is not required to have audited statements, financial statements must still be provided pursuant to the RFP in Section 4.2.11 to demonstrate financial stability.

19. RFP page 43, Attachment D, sub-section B.1: Please clarify the statement that "...reviews must be completed in one calendar day from receipt of the review request." Does this mean business day? Is the contractor required to complete the review starting with the receipt of the request even if the request does not contain all necessary clinical information?

Answer: This is calendar day. However, if it is received on a Friday, the review would be due on Monday. As stated in the RFP, Attachment D lists examples only, and if it is determined that this is not a feasible timeframe, we would consider negotiating for

additional calendar days. The contractor may "stop the clock" for incomplete requests and place the review on hold for additional information.

20. RFP page 43, Attachment D, sub-section B.6: Please clarify the format of the "provisional billing authorization number" that the contractor must issue, meaning number of digits and whether it must be alphabetic or numeric characters (or both).

Answer: The provisional billing authorization number will follow the same format as any other authorization number issued unless otherwise negotiated after contract award.

21. RFP page 47, Attachment D, sub-section E5: Please clarify what the State means by the statement that "the contractor must audit the implemented process for disseminating medical information between behavioral health providers and primary care physicians."

Answer: The audit could include a statistical study of a sample population to assess the outcome of the implemented process and any other tool or process agreed on by the contractor and State to accomplish the goal of continuity and quality.

22. RFP page 50, Attachment D, sub-section J1: If the call log documentation was a component of the current scope of work, please describe the number and types of complaints that were received by the incumbent contractor.

Answer: This information is not available.

23. a. Is it the desire of the Department to maintain two separate contractors for services under RFP 2010-06 and RFP 2010-05? If yes, would the Department be interested in economies of scale that could be accomplished by using one Project Director for both contracts? If not, why?

Answer: RFP 2010-06 and RFP 2010-05 will establish two separate contracts. Each contract must have a separate Project Director. There is no guarantee that the same respondent will be awarded both contracts. In the event that the same respondent is awarded both, a separate Project Director will still be required per RFP requirements for each.

b. Will DMS require the new contractor to perform any of the MMIS functions?

Answer: No.

c. Will DMS provide the bidders a list of the 31 Inpatient Psychiatric providers who are enrolled with Arkansas Medicaid?

Answer: Yes. See # 6 and the attached list.

24. RFP Page 4 Section 1.2: Please provide the location of those providers who are out of state by city and state.

Answer: Addresses are provided within the attached listing.

25. RFP Page 5 Section 1.4: Please provide the historical rates of random inspections of care. Are these random inspections based on a random sample of providers? Concerns about providers or both?

Answer: Historical rates are unavailable. Random inspections are generally conducted as follow-up to concerns raised during annual inspections, but DMS does not rule out the possibility of instituting random sampling of providers.

26. RFP Page 5 Section 1.4: How often do inspections of care result in appeals or legal activity that would necessitate the contractor's involvement?

Answer: To date, none.

27. RFP Page 5 Section 1.4: Please provide the number of reconsiderations and appeals, and also disposition of appeals, conducted by the current contractor for the last two years.

Answer: Please see response to question number three. All denials partial or whole are subject to the appeal process by either the beneficiary or provider.

28.RFP Page 10 Section 3.9 Subcontracting: The RFP requires that "Respondents shall certify that they have all the necessary resources to complete the work described in the RFP Scope of Service section." Where in the proposal should we include the certification?

Answer: We suggest both under this section (Section 3.9) in the proposal and included under Section 4.2.6 Technical Approach and Solutions to Scope of Service of the proposal.

- 29. RFP Page 10 Section 3.10 Minority Business Policy
 - a. Do bidder's that include minority participation as part of their scope of services receive additional evaluation points? How is minority participation scored?

Answer: No, bidders who include minority participation as part of their scope of services will not receive additional evaluation points. Minority participation is encouraged and may or may not be included in the evaluation questions.

b. Where in the proposal shall the respondent include information to "explain the circumstances preventing minority inclusion?"

Answer: We suggest under Section 3.10 of the proposal.

30. RFP Page 12 Section 3.22 EEO Statement: Where, or in what section, should the EEO Statement be included in the proposal?

Answer: We suggest a statement under Section 3.22 of the proposal, identifying the tab containing the statement and the tab showing a title of EEO Statement.

31. RFP Page 14 Section 4.1 Commercial mail delivery option -- UPS and FedEx require a telephone number for package recipients. Please provide a telephone number for the delivery address.

Answer: (501) 682-8835.

32. RFP Page 17 Section 4.2.5 Does the Division have a particular format you wish respondents to use for the cross reference matrix?

Answer: No particular format as long as it is clear to the evaluators of the cross reference from the RFP to the proposal. See answer to # 10 for additional detail.

33. RFP Page 36 Attachment C Professional/Consultant Services Contract Is the respondent required to include Attachment C with the proposal? If so, please list what sections should be completed by the respondent.

Answer: No, it is attached to show respondents what the contract will look like.

34. RFP Page 41(a) Program Deliverable: The contractor must provide a secure computer system, electronic web-based data transmission system, and system interfaces for the performance of the requirements set forth in the contract. Will DMS provide bidders with a list and description of the system interfaces required for performance on this contract?

Answer: This information will be made available after contract award.

35. RFP Page, 41 A1. The contractor shall develop and implement a secure web-based data transmission system for accepting prior authorization requests from providers and returning determination notifications, including denial rationales, to providers. The transmission system must include a method for providers to interface their electronic medical records software for importing and exporting files in accordance with HIPAA and other mandatory security standards. *Does DMS currently maintain a list of the electronic Medical Record Systems used by the 31 Inpatient Psychiatric providers enrolled with Arkansas Medicaid? If so, will DMS provide the list to bidders?*

Answer: No. This will be a new project.

36. RFP Page 41 A2. The contractor shall develop, coordinate, and implement a database and electronic system to communicate determinations and automated recoupment to the

Medicaid fiscal agent. Will DMS provide bidders with the identity of the Medicaid fiscal agent?

Currently, the contracted fiscal agent is HP Enterprise Services.

37. RFP Page 42 A.4. Please provide historical monthly fax and call volume data.

Answer: This information is not available.

38. RFP Page 42 A3. The contractor shall be responsible for developing and maintaining a secure electronic system of data sharing in coordination with the contractor for outpatient mental health utilization management. This system shall be utilized for the delivery of care coordination administered by the inpatient contractor. Will DMS provide bidders with the name of the contractor for outpatient mental health utilization management, and the system currently in use?

Answer: APS Healthcare Midwest and First Health Services Corp. are the current contractor for Outpatient Mental Health though there is currently an active RFP for a single outpatient contract also. DMS will coordinate this information after award of both contracts has been completed.

39. RFP Page 42 Reports shall be submitted to DHS/DMS no later than the fifth calendar day of the following month. Does DHS/DMS have a preferred method and format for all submitted reports?

Answer: This will be negotiated after contract award.

40. RFP Page 44. The Contractor must be available during DHS/DMS regular business hours and maintain an automated method of receiving messages and information from providers after business hours and on holidays. What are the normal business hours for the DMS, and what are the state recognized holidays?

Answer: Normal business hours are 8 a.m. to 5 p.m. Monday through Friday. State recognized holidays are New Year's Day, Dr. Martin Luther King Jr and Robert E. Lee's Birthdays, George Washington's Birthday and Daisy Gatson Bates Day (Observed), Memorial Day (Observed), Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Christmas Eve, Christmas Day.

41. RFP Page 43 B1. Please clarify whether the contractor is expected to conduct a face to face assessment per Reg 215.321B when information is not sufficient to approve or deny a CON.

Answer: Not generally; however, DMS will not rule out the possibility in the event the contractor cannot clearly determine medical necessity by any other means.

42. RFP Attachment D, (d) D2, page 45 of 53. May we utilize an ANP or RNP instead of a psychiatrist to do the 40 inspections of care (IOCs) required in the RFP?

Answer: No.

43. RFP Attachment D, (d) D5, page 46 of 53. Is the bidder permitted to propose a provider report card methodology for onsite quality and compliance reviews or does DHS/DMS have a method and format already defined?

Answer: DMS is in the process of defining a report card methodology. The bidder may *propose* a method and format; however, DMS will ultimately determine and promulgate a methodology for this.

44. RFP Section 4, 4.2, p. 15 of 53, and Section 4, 4.2.9, p. 20 of 53. The prescribed order of the Technical Proposal in Section 4.2 on p.15 does not list Compliance with the State Shared Technical Architectural Program which is included in Section 4.29 on page 20. Should the order of the Technical Proposals match what is required in Section 4.2.9 through 4.2.12 as follows: 9. Compliance with the State Shared Technical Architectural Program; 10. Project Management; 11. Financial Disclosure; and 12. Proposal Bond?

Answer: Yes. Compliance with the State Shared Technical Architectural Program should be included and use the section numbering found on page 20.

45. RFP Page 43. B2. Please clarify the information referred to by: "established in #5 above" in the last line of the paragraph.

Answer: This phrase contains a typographical error and should read "...established in B1. above..."

46. RFP Page 44.C. Please clarify if the Utilization and Quality Review Control Peer Review of Inpatient Psychiatric Services for Medicaid Beneficiaries under Age 21, or the Division's fiscal agent is responsible for recoupment of funds.

Answer: It is anticipated that an integrated electronic interface will be developed to allow the successful awardee of this procurement to identify funds for recoupment and transmit such information to the fiscal agent for actual recoupment.

47. RFP Page 44. C1. Please clarify the information referred to by: *outlined in #3 above*.

Answer: This phrase contains a typographical error and should read "...outlined in A2 above...".

48. RFP Page 46. D. Acceptable performance is defined as. Please clarify the information referred to by: developed utilizing #3 and #4 above.

Answer: D3. Utilize a master level or higher statistician to select record samples to be reviewed and be able to provide testimony in the event of any legal proceedings. D4. Report results of on-site inspections to DHS/DMS; solicit, receive and evaluate provider corrective action plans; and make recommendations to DHS/DMS.

49. How many of the referenced 31 inpatient facilities are RTC's?

Answer: Please see attached listing.

50. How many RTC's accepting Arkansas Medicaid beneficiaries are in state vs out of state?

Answer: Please utilize attached listing to determine this information.

51. Are all of the out of state facilities "border facilities?"

Answer: No. Border facilities are considered those physically located within 50 miles of the Arkansas border.

52. PERFORMANCE INDICATOR A1: Would DHS/DMS consider requiring providers to use a web-based system for transmitting requests for authorizations, in order to save the state dollars?

Answer: Not at this time.

53. PERFORMANCE INDICATOR A2:

a. Is it the intent that the contractor assumes responsibility for recoupment of funds?

Answer: No.

b. Is it the intent that the contractor give information to DHS/DMS that will be used in the potential recoupment of funds?

Answer: Yes.

54. PERFORMANCE INDICATOR B6: Will DHS/DMS consider having all services that are denied reviewed retrospectively, upon request or reconsideration, rather than granting a provisional billing authorization number?

Answer: No. This is related to Arkansas due process.

55. PERFORMANCE INDICATOR B7: Are timelines resulting from notices of action counted as calendar days or business days?

Answer: Calendar days.

56. PERFORMANCE INDICATOR B 8.

a. Will DHS/DMS consider changing the due dates for reports to the 10th calendar day (instead of the 5th calendar day)? This will allow adequate time for the collection and analysis of data before submission.

Answer: These are example performance indicators. DMS will consider negotiating a change to allow more time with the successful awardee.

b. If the $10^{\rm th}$ day is not allowed, will DHS/DMS consider changing calendar days to business days?

Answer: No.

57. PERFORMANCE INDICATOR C: RETROSPECTIVE REVIEWS

a. Is there a target number or percentage of retrospective reviews for paid claims per month, quarter and/or year?

Answer: This information is not available at this time.

b. For patient records?

Answer: This information is not available at this time.

58. PERFORMANCE INDICATOR D1. Is there an expected number or percentage of scheduled and random, respectively, on-site certification audits to be done on a monthly, quarterly or annual basis?

Answer: All Medicaid enrolled inpatient psychiatric facilities must receive an annual inspection of care. The contractor may determine how best to schedule these across the year. Random audits will be determined on a case-by-case basis utilizing reports of immediate safety issues, scorecard methodology, or immediate concerns established during routine IOCs.

59. PERFORMANCE INDICATOR D:

a. Is it acceptable to examine the facility's documentation of their credentials and licensure certification, or must the contractor engage in primary source verification of these documents?

Answer: It is acceptable to examine the facility's documentation.

b. Is it the expectation that the vendor examine the credentials and licensure of all providers with admitting privileges to a facility, or just those of the facility, itself?

Answer: All direct care personnel.

c. How is the 10% random sample of family members and hospital staff and employees calculated? In other words, how are family members identified and included into the calculation of the denominator?

Answer: It will be up to the contractor to develop this methodology based on records identified for review.

60. PERFORMANCE INDICATOR D5. Would DHS/DMS consider changing the time requirement from 30 calendar days to 30 business days?

Answer: No.

61. PERFORMANCE INDICATOR E4. Will the successful contractor be responsible for facilitating communication from both the Inpatient psychiatric AND outpatient providers to the primary care physicians, if the contractor is responsible for the Inpatient contract ONLY?

Answer: The successful contractor will be responsible for facilitating communication between the Inpatient Psychiatric providers and other providers, ie: outpatient behavioral health providers; primary care physicians; and providers of specialty medical services as necessary to promote quality of care in a System of Care environment.

62. "The contractor will contract and pay for professional psychiatric and behavioral health consultants when requested by DMS." Can DHS/DMS give an estimate of the frequency of such requests or a general idea the nature of these requests?

Answer: On occasion, DHS/DMS requires part-time services of behavioral health professionals to complete special projects or to assist with increased workload.

63. PERFORMANCE INDICATOR H 2. Will DHS/DMS offer more explanation on the criteria to propose new categories of participation for care coordination services?

Answer: Categories of participation would be based on criteria developed in order to serve the most medically, socially, and psychiatrically and treatment reliant beneficiaries who have a mental health diagnosis.

64. "The contractor must maintain records of all complaints for three years...." Is it acceptable to maintain these records in an electronic format?

Answer: Yes it is acceptable to maintain records in electronic format as long as the records are in a legible, retrievable form, have data back-up, and are kept in accordance with all applicable federal and state regulations regarding privacy.

65. What is the current contract value for these services?

Answer: We are unable to answer. Some of the services encompassed in this RFP are new services.

66. Has the current contractor for these services met all contract deliverables?

Answer: Please refer to question # 2.

67. We plan to submit our audited financial statements to fulfill the requirement for Section 4.2.11 *Financial Disclosure*, but these statements are considered confidential. We also noted that the RFP states that "ANY CONFIDENTIAL, PROPRIETARY, COPYRIGHTED, OR FINANCIAL MATERIAL SUBMITTED BY RESPONDENTS MUST BE MARKED AS SUCH AND SUBMITTED UNDER SEPARATE COVER. Is it sufficient to reference in our narrative for this section that this information has indeed been provided, but is marked Confidential and is being submitted under separate cover as also directed in the RFP?

Answer: Refer to page 17, the first paragraph after the 21 items listed, which states that the respondent must list the information considered confidential or information that would provide an unfair advantage to competitors, with justification, and page

number and section number to be listed as an attachment to the Statement of Acknowledgement.

68. At the beginning of Attachment D, it states: "These Performance Based Standards are EXAMPLES ONLY and represent the types of indicators which will be included in the contract." We appreciate the insight offered in these standards as we prepare our response, and want to confirm: Since these are provided as examples, is a direct formal response to these items required within the Scope of Work or Technical Proposal?

Answer: These items should be utilized to guide you in your responses to the Scope of Work or Technical Proposal.

69. Specifically in Attachment D, on page 41, Roman numeral IV, it states, "The contract program deliverables and performance indicators to be performed by the contractor are: " and then lists Program Deliverables (a) through (j) with associated performance indicators. But again, at the beginning of Attachment D, it also states that "These Performance Based Standards are EXAMPLES ONLY and represent the types of indicators which will be included in the contract." So are the Program Deliverables and their associated performance indicators shown here EXAMPLES, or are they actual deliverables and indicators that need to be incorporated into offeror responses?

Answer: These are Examples. Program Deliverables may change based upon information contained in the successful awardees proposal.

70. In Attachment D, under Program Deliverable (a), Performance Indicator A1: What types of interface would the agency envision? If HIPAA 278 Requests for Authorization are part of the expectations, how will the provider furnish the clinical information required to complete medical necessity and other types of review? HIPAA 278 has no provision for detailed clinical notes.

Answer: The agency envisioned a user friendly, compatible interface with the providers who choose to use electronic submission. The awardee would have to address how submission of clinical information in a secure environment could be accomplished.

71. In Attachment D, under Program Deliverable (b), Performance Indicator B6: Mentions providing a provisional billing authorization number for denied services pending appeal. How are provisional authorization numbers converted to "real" authorization numbers in the event of a successful appeal? How are provisional authorization numbers revoked in the event of an unsuccessful appeal?

Answer: Provisional authorization numbers will follow the same format as "real" authorization numbers. The successful contractor will need to develop a method to distinguish them in their system and note the outcome of the appeal if successful. In

the event of an unsuccessful appeal, the beneficiary is required to repay any funds expended under the provision; therefore, the provisional number is not revoked.

72. In Attachment D, under Program Deliverable (c), Performance Indicator C1: Mentions "The contractor is responsible for claims reconciliation and automated recoupment of funds through use of an electronic data transmittal system in conjunction with DHS/DMS and its fiscal agent as outlined in #3 above." What does "#3 above" reference?

Answer: Please refer to question # 47.

73. In Attachment D, under Program Deliverable (f), Performance Indicator F1: Can the agency provide samples of the reports currently provided and elaborate on any enhancements that would be helpful to the management of the program?

Answer: DMS does not wish to provide examples of existing reports, but rather expects to see what the respondents propose that they can provide. Specific reports and formats will be negotiated with the successful awardee.

74. Page 21, Section 4.3.3 Price: Section 4.3.3 includes the following statement: "The price will include a cost analysis to support the reasonableness of the price." Can the State provide clarification on the elements of the cost analysis it expects from the vendor?

Answer: A minimum of a basic budget and short narrative to support the reasonableness of the price provided.

75. Page 21, Section 4.3.3 Price: Section 4.3.3 includes the following statement: "The price included in the proposal will be the price for the period of the initial award as specified in Section 1.5. On an annualized basis, that price will be applicable for the life of the contract resulting from this RFP (initial contract and any extensions) if extension options are exercised." Will the State allow for inflation adjustments if extension options are exercised?

Answer: No, there are no provisions for a cost of living adjustment.

76. Per the first paragraph of Attachment A (page 26); the contractor is required to provide a statement "accepting and agreeing to the terms and conditions set out in this section." The financial terms portion of this Attachment contains a schedule with blank cells. Is this schedule required to be completed and submitted with the proposal, or will it be completed at a later time?

Answer: It will be completed by DMS at the time the contract is completed.

77. Page 5, 1.4 Scope of Service: Are reviewers required to be licensed in Arkansas?

Answer: Arkansas licensed, board certified psychiatrists must review all certification of need prior authorization requests and records that cannot be approved by other licensed reviewers under the contractor's established criteria for QIO status.

78. Page 20, Section 4.2.8 Project Organization and Staffing: How will ad hoc psychiatric and behavioral health consultants be used?

Answer: See response to #62.

79. Page 43, letter (b) Program Deliverable: Performance Indicators are listed as examples. However, a turn-around time of one (1) calendar day is specified for acute and acute to residential step downs. Is this an example or an expected standard?

Answer: Please see response to #19

80. Page 46, letter (e) Program Deliverable:It states that the contractor is to provide DMS with a copy of the "established written desk procedures to be utilized." What are "desk procedures?"

Answer: Desk procedures are the written rules and procedures the successful bidder will utilize to implement and maintain and document the outcomes of its internal quality assurance process.

81. Page 15, Section 4.2 Technical Response Requirements: There is a deviation between the summation numbering and the technical response requirements. Specifically, the expanded requirements include the addition of 4.2.9, Compliance with the State Shared Technical Architectural Program (page 20). Should the remaining sections be renumbered to include Section 4.2.9 Compliance with the State Shared Technical Architectural Program?

Answer: Use the numbering of the technical requirements sections listed in the RFP for 4.2.1 through 4.3.5. The summation of 4.2 should have included Compliance with the State Shared Technical Architectural Program.